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June 6, 2006

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PUBLIC VERSION

Mr. James C. Leonard III, Chairman
Committee for the Implementation of Textile Agreements
U.S. Department of Commerce
Room H3001A
14th Street & Constitution Avenue, N.W.
Washington, D.C. 20230

Re: Request Under the Commercial Availability Provision of the Dominican Republic-Central America-United States Implementation Act

Woven 100 Percent Cotton Napped (Flannel) Fabrics Classifiable Under HTS Subheadings 5208.52.30, 5208.52.40 and 5209.51.60

Dear Mr. Chairman:

On behalf of B*W*A of New York City, and pursuant to the provisions of Section 203(o)(4) of the Dominican Republic-Central America-United States Free Trade Agreement ("DR-CAFTA") Implementation Act and Federal Register Notice of February 21, 2006 published by the Committee for the Implementation of Textile Agreements, we hereby resubmit

[▼]BOARD CERTIFIED INTERNATIONAL LAW

"RESIDENT IN ARGENTINA

Mr. James C. Leonard III
Committee for the Implementation
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PUBLIC VERSION

this request regarding a modification to the list of fabrics, yarns and fibers not available in commercial quantities in a timely manner in the countries of the Dominican Republic-Central America-United States Free Trade Agreement, and request that the subject fabrics be placed on a timely basis on the list in Annex 3.25 of the Agreement.

DETAILED PRODUCT INFORMATION

The fabrics subject to this request are a group of woven 100% cotton napped (flannel) fabrics in a variety of thread counts, weights and widths, classifiable under HTS subheadings 5208.52.30, 5208.52.40 and 5209.51.60. Further details are shown in the accompanying **Attachment**, but the salient features of all are as follows:

- The warp yarns are ring spun, the filling yarns are open end spun
- All are napped on both sides
- All are printed with fiber reactive dyes, not pigments, in order to provide superior colorfastness, especially to sunlight.

QUANTITY

B*W*A wishes to use fabrics in the manufacture of apparel in El Salvador. A variety of constructions, weights and color combinations are involved in this request and B*W*A's contract with its customer requires that 5,000 linear meters of fabric(s) be delivered to its assembler's plant in El Salvador in late May and an additional 5,000 linear meters be delivered on or about June 15, or a total of 12,000 yards. BWA initially thought the requirements were for 50,000 yards but this was reduced last April. Note should also be taken of the wide width (170 centimeters) of some of the fabrics as described in Attachment 1. Note also that B*W*A's current supplier of the subject fabrics will not lend the screens necessary to effect the prints because they are its intellectual property and for fear of damage in transit from and to Europe (Portugal).

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DUE DILIGENCE

We have contacted all weavers and printers of cotton flannel apparel fabrics known to us in the relevant countries and none has indicated an ability or desire to supply the subject fabrics.

The following firms in the United States were contacted with regard to whether they could make the subject fabrics described in the **Attachment**. We are providing a public summary herein of the business confidential contacts, and documentary confirmations are provided in our confidential version.

One

Mill: Avondale Mills, Graniteville, SC Individual Contacted: Keith Hull

Date Contacted: December 7, 2005 by Charles Bremer (E-Mail)

Reply and Date: Hull states that Avondale does not make and cannot make subject fabrics,

December 7, 2005 (E-Mail)

Two

Mill: Wade Mfg., Wadesboro, NC

Individual Contacted: Bernard Hodges

Date Contacted: January 31, 2006 by Charles Bremer (E-Mail)

Reply and Date: Hodges confirmed receipt of flannel sample from BWA and said Wade can

produce the product within the specified timeframe, February 3, 2006 (E-Mail)

Follow-Up Contact: February 7, 2006, Hodges asked by Bremer to provide an identical sample to BWA expeditiously (E-Mail)

Reply: None received.

Additional Follow-Up Contact: February 22, 2006, Hodges again asked by Bremer to provide sample to BWA (E-Mail)

Reply: None received

Further Follow-Up: Bremer Confirms with BWA official, Nuno Lacerda, on May 2, 2006 that BWA never received a sample from Wade (E-Mail)

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Additionally, Hodges previously indicated on March 3, 2005, in response to an inquiry made on March 2, 2005, by Bremer that it would be the best source for pigment prints on flannel but that Carlisle and Santee Prints could provide fiber reactive prints (E-mail)

Three

Mill: Carlisle Finishing, Carlisle, SC Individual Contacted: Michael Vecchione

Date Contacted: March 15, 2006 by Charles Bremer (E-Mail)

Reply and Date: After reviewing sample, Vecchione advised Bremer that Carlisle could not

match the sample's quality, April 17, 2006 (E-Mail)

Four

Mill: Cranston Print Works, Webster, MA Individual Contacted: George Shuster

Date Contacted: April 19, 2006 and May 3, 2006 by Charles Bremer (E-Mail)

Reply and Date: Shuster says that Cranston can only do some products in the specified range

and not the napping, May 3, 2006 (E-Mail)

Five

Mill: Santee Print Works, Sumter, SC Individual Contacted: B. Lyons

Date Contacted: March 30, 2006 by Charles Bremer (E-Mail)

Reply and Date: Lyons advises Charles Bremer that Santee was not interested in supplying the

subject fabrics (telephone call)

Other U.S. Mills Considered

Mill: Mount Vernon Mills, Greenville, SC – Not contacted because it does not print apparel fabric.

Mill: Carolina Mills, Maiden, NC – Not contacted because Carolina is liquidating its weaving business.

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Samples Provided:

Since the only firms indicating any potential ability or interest in providing the goods, were Carlisle Finishing and Wade Mfg, samples were only provided to these two firms. Normally samples are given on a business confidential basis when initial interest is expressed.

Mills in Dominican Republic and Central America

A thorough search of *Davison's Textile Blue Book 2006* showed no mills in El Salvador, Nicaragua or Honduras, all of the current countries that have implemented the Agreement, capable of making the subject fabrics.

In addition, B*W*A, which has a long history of doing business in El Salvador, knows of no mill in that country which is capable of producing the subject fabrics.

We are aware that there are textile mills in DR-CAFTA countries other than El Salvador, Honduras and Nicaragua, but B*W*A cannot use their fabric and be treated as an originating good under the Agreement.

For example, a mill in Guatemala – Liztex / Textiles Amatitlan – was contacted and, after initial interest was expressed, a sample was provided to it on April 7. There has been no subsequent reply despite subsequent e-mail and telephone efforts to elicit one. Whether Liztex can or cannot supply the subject fabric is at this time immaterial because B*W*A cannot use Liztex fabric and qualify as an originating product under the rules of origin of the Agreement.

Relevant e-mail copies related to the Due Diligence Process are provided in the confidential version.

SUBSTITUTABLE PRODUCTS

With respect to the subject fabric, there is no other fabric that is substitutable. B*W*A's contracts with its customers require fabrics with the same yarn sizes, thread density, print execution, visual appearance, hand, color fastness and strength as those possessed by the fabrics which B*W*A intends to source in Europe. To use anything other than that specified in the instant request would not be acceptable to B*W*A's customers. These are very difficult fabrics to make, requiring specialized equipment and proprietary know-how – not available in the United States or other implementing countries.

Mr. James C. Leonard III Committee for the Implementation of Textile Agreements June 6, 2006 Page 6 **PUBLIC VERSION**

Thank you for your consideration of this request. If you have any questions or require further information, please contact Ronald J. Sorini or Charles Bremer by telephone at (202)216-9307 or *via* e-mail to <u>rsorini@strtrade.com</u> or <u>cbremer@strtrade.com</u>.

Sincerely,

SANDLER, TRAVIS & ROSENBERG, P.A.

Thomas G. Travis Managing Partner

Ronald J. Sorini, President

Trade Negotiations and Legislative Affairs

SEGILDA/SORINEBWA DR CAFTA SHORT SUPPLY PETITION JUNE 6, 2006 PUBLIC VERSION

Attachment

(English Measurements In Parentheses)

HTS Subheading 5208.52.30, 5208.52.40, 5209.51.60

Fiber Content 100% Cotton

Average Yarn Number 6.8 to 50.8 metric

(4 to 30 English)

Thread Count 122 to 163 ring spun warp ends per centimeter x

81 to 122 open end spun filling picks per centimeter

(48 to 64 warp ends per inch x

32 to 48 filling picks per inch)

Weave Type Plain

Weight 129 to 322 grams per square meter

(3.8 to 9.5 ounces per square yard)

Width 144 to 170 centimeters

(57 to 67 inches)

Finish Printed with fiber reactive dyes; napped

on both sides; pre-shrunk

WASHINGTON, DC NEW YORK BALTIMORE SAN FRANCISCO CHICAGO BUENOS AIRES LOS ANGELES

Due Diligence Certification

- I, Charles V. Bremer, of Sandler, Travis & Rosenberg, P.A. (STR), counsel or representative to B*W*A, certify that
 - (1) I have read the attached submission, and
 - (2) based on the information collected by me and made available to me by Andrew Lerner of B*W*A, I have no reason to believe that this submission contains any material misrepresentation or omission of fact.

Charles V. Bremer

- I, Andrew Lerner, President, currently employed by ${\sf B*W*A},$ certify that I
 - (1) have read the attached submission, and
 - (2) the information contained in this submission is, to the best of my knowledge, complete and accurate

Andre